



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 30, 2011

H.R. 2218
Empowering Parents through Quality Charter Schools Act
*As ordered reported by the House Committee on Education and the Workforce
on June 22, 2011*

H.R. 2218 would amend and reauthorize both the Charter School Programs and the Credit Enhancement for Charter School Initiatives under Title V of the Elementary and Secondary Education Act of 1965 through fiscal year 2017 and combine them into a single authorization. (That authorization would automatically be extended by one year through 2018 under the General Education Provisions Act.) The bill would authorize the appropriation of \$300 million for each of fiscal years 2012 through 2018 for grants to states to develop and expand charter school facilities and to public and private, nonprofit entities to develop means of enhancing credit to finance the construction and renovation of charter schools.

For fiscal year 2011, the Department of Education allocated \$256 million for Charter School Programs and did not allocate any funding for Credit Enhancement Initiatives. The previous authorization for Charter School Programs expired in 2008 and the previous authorization for Credit Enhancement for Charter School Initiatives expired in 2004.¹

As shown in the following table, CBO estimates that implementing the bill would cost about \$1 billion over the 2012-2016 period, assuming appropriation of the authorized amounts. Additional authorized amounts under H.R. 2218 would be spent after 2016. The costs of this legislation fall within budget function 500 (education, training, employment, and social services). For this estimate, CBO assumes that spending will follow historical patterns.

	By Fiscal Year, in Millions of Dollars					2012-2016
	2012	2013	2014	2015	2016	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	300	300	300	300	300	1,500
Estimated Outlays	15	150	255	300	300	1,020

1. For Charter School Programs, prior law authorized the appropriation of \$300 million for fiscal year 2002 and such sums as may be necessary through fiscal year 2008. For Credit Enhancement for Charter School Initiatives, prior law authorized the appropriation of \$150 million for fiscal year 2002 and such sums as may be necessary through fiscal year 2004.

Enacting the bill would have no impact on direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2218 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. State and local entities would benefit from continued federal grant funding for charter schools. Any costs associated with receiving such grants would be incurred voluntarily as conditions of aid.

The CBO staff contact for this estimate is Justin Humphrey. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.